

Audit and Governance Committee

Annual Report 2017/18

*Working for a **brighter future** together*



OFFICIAL

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Foreword by the Chair of the Audit and Governance Committee

I have the honour to present this comprehensive detailed report on the work of the Audit and Governance Committee over the period 2017-2018.

There were a number of unplanned items which required the attention of the Internal Audit team and the Audit and Governance Committee during the period.

These have been dealt with as efficiently as possible, and the Committee has agreed a comprehensive work programme for the 2018/19 year.

Our Terms of Reference will be reviewed and updated as necessary following the publication of new CIPFA guidance.

I am pleased to note that the difficulties around staffing levels within Internal Audit are being worked through, and look forward to the implementation of the new structure supporting continued developments and improvements in the Council's governance.

The Committee has covered a broad range of work over the year, and what I find refreshing is the open and transparent way that issues are discussed and reported.

I would like to thank all those who have attended and contributed to the Committee over the year, especially the officers involved in preparing the various reports and presentations the Committee has received.

I am pleased and proud to chair this Committee and will continue to represent all the residents of the Borough in the way in which we do.



Councillor Gordon Baxendale
**Chair of the Audit and Governance
Committee**

July 2018

1. Introduction to the Audit and Governance Committee

Governance is defined in the “Delivering Good Governance in Local Government: Framework” (CIPFA/SOLACE 2016) as follows:

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity’s objectives while acting in the public interest at all times.

Audit Committees are therefore an essential element of good governance. Good corporate governance requires independent, effective assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes.

These functions are best delivered by an Audit Committee independent from the executive and scrutiny functions.

Effective Audit Committees help raise the profile of internal control, risk management and financial reporting issues within an organisation, as well as providing a forum for the discussion of issues raised by internal and external auditors. They enhance public trust and confidence in the financial governance of an authority.

2. Audit and Governance Committee - Statement of Purpose

- The Audit and Governance Committee is a key component of the Council’s corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards;
- It provides an independent assurance to the Council of the adequacy of the risk management framework and the internal control environment;
- It provides independent review of the Council’s governance, risk management and control frameworks and oversees the financial reporting and annual governance processes;
- It oversees Internal Audit and External Audit, helping to ensure efficient and effective assurance arrangements are in place;

- It promotes high standards of ethical behaviour by developing, maintaining and monitoring performance and Codes of Conduct for Members of the Council (including co-opted Members and other persons acting in a similar capacity).

The Audit & Governance Committee has delegated responsibilities from Council. This report provides details of how the Committee has discharged those responsibilities and delivered against its [Terms of Reference](#).

Meetings of the Audit & Governance Committee were held on the following dates in the 2017/18 municipal year:

- 28th September 2017
- 7th December 2017
- 15th March 2018
- 31st May 2018
- 31st July 2018

The July 2018 meeting is referenced in this report as the final review and approval of the relevant 2017/18 outputs (such as the Statement of Accounts) which were presented and considered by the Committee on this date.

More information on Audit & Governance Committee Meetings, including agendas, minutes and attendance details can be found [here](#).

3. Governance, Risk and Control within Cheshire East Council

Reports have been received by the Audit and Governance Committee in the following areas, providing assurance and updates on the Council's governance, risk and control framework over the past year:

Internal Audit

Meeting	Reports received
1 st June 2017	Internal Audit Annual Report 2016/17
28 th September 2017	Update on Air Quality Data Internal Audit Report
	Update report on the Review of the Effectiveness of Internal Audit and Compliance with the Public Sector Internal Audit Standards
7 th December 2017	Internal Audit Interim Report 2017/18
	Internal Audit Charter
15 th March 2018	Internal Audit Interim Report
	Internal Audit Plan 2018/19
31 st May 2018	Internal Audit Annual Report 2017/18

External Audit

Meeting:	Reports received:
1 st June 2017	External Audit Progress and Update Report
28 th September 2017	Grant Thornton – Audit Findings and Actions Plan Report 2016/17
7 th December 2017	Grant Thornton- Annual Audit Letter 2016/17
	Certification Report 2016/17 (Housing Benefit Subsidy Claim)
15 th March 2018	External Audit Plan 2016/17 - Update
	External Audit Plan 2017/18
	Arrangements for the Appointment of the External Auditors
31 st May 2018	External Audit Progress and Update Report
31 st July 2018	External Audit Findings Report 2017/18
	2017/18 Audit Findings and Action Plan (Management Response)

Risk Management

Meeting:	Reports received:
1 st June 2017	Risk Management Update Report
7 th December 2017	Risk Management Update Report
15 th March 2018	Risk Management Update Report
31 st May 2018	Annual Risk Management Update

31 st July 2018	Risk Management Update Report
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Corporate Governance & Annual Governance Statement (AGS)

Meeting:	Reports received:
1 st June 2017	Draft Annual Governance Statement 2016/17
28 th September 2017	Annual Governance Statement 2016/17
7 th December 2017	Annual Governance Statement Progress Update
31 st May 2018	Draft Annual Governance Statement 2017/18
31 st July 2018	Annual Governance Statement 2017/18

Accounts, Financial Statements & Treasury Management

Meeting:	Reports received:
1 st June 2017	Draft Pre-Audit Statement of Accounts 2016/17
28 th September 2017	2016/17 Statement of Accounts
	Treasury Management Annual Report 2016/17
7 th December 2017	Draft Treasury Management Strategy and Minimum Revenue Provision Statement 2018/19
15 th March 2018	Capital, Treasury Management and Investment Strategies - Update
31 st May 2018	Draft Pre-Audit Statement of Accounts 2017/18
31 st July 2018	2017/18 Statement of Accounts

Whistleblowing & Anti-Fraud and Corruption

Meeting:	Reports received:
28 th September 2017	Whistleblowing Arrangements 2016/17
15 th March 2018	Update on the Council's Whistleblowing Arrangements and New Policy

Information Governance

Meeting:	Reports received:
15 th March 2018	Presentation on the readiness of the Council to meet the requirements of the General Data Protection Regulations (GDPR)
31 st May 2018	Information Governance Update
31 st July 2018	Update on the Council's readiness for GDPR

Significant assurances the Committee has received during the year include:

- **2017/18 Internal Audit opinion**

“The Council’s framework of risk management, control and governance is assessed as Adequate for 2017/18” (May 2018);

- **2017/18 Financial Statements Opinion (External Audit)**

At the 31st July 2018 Committee meeting, the External Auditor gave the following opinion on the Council’s financial statements:

- They give a true and fair view of the financial position of the group and of the Council as at 31 March 2018 and of the group’s expenditure and income and the Council’s expenditure and income for the year then ended;
- They have been prepared properly in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2017/18;
- They have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

- **2017/18 Value for Money (VFM) Conclusion (External Audit)**

At the 31 July 2018 Committee meeting, the External Auditor confirmed that their review of the Council’s arrangements for securing economy, efficiency and effectiveness in its use of resources highlighted a number of issues which will give rise to a qualified opinion:

- The Council has operated throughout the year of audit with interim senior management arrangements in place as a result of ongoing disciplinary proceedings involving senior officers;
- Investigations by the Council’s Internal Audit team have provided evidence of a number of historic weaknesses in the Council’s arrangements for implementing and sustaining sufficient and appropriate governance processes throughout the organisation;
- These matters are evidence of weaknesses in proper arrangements for acting in the public interest, through demonstrating and applying the principles and values of sound governance.

- **Audit Certificate for 2017/18 (External Audit)**

At the 31 July 2018 meeting the External Auditor confirmed that they cannot formally conclude the audit and issue an audit certificate in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until they have completed:

- The work necessary to issue the Whole of Government Accounts (WGA) Component Assurance Statement for the Authority for the year ended 31 March 2018;
- Their consideration of matters brought to their attention. (However, they are satisfied that these matters do not have a material effect on the financial statements or on their conclusion on the Authority’s

arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018).

Note: This report has been updated to include further details on the above following the Audit & Governance meeting held on 31st July 2018, prior to the report being submitted to Council on 18th October 2018. A further update on the 2017/18 external audit was provided to the Committee on 27th September 2018.

4. Effectiveness of the Committee

The Committee regularly undertakes a formal review of its own effectiveness. The 2017/18 self-assessment was carried out with the Chair and Vice Chair against the CIPFA guidance “Audit Committees – Practical Guidance for Local Authorities and Police 2013” and the results reported to the Committee in May 2018.

The Committee self-assessed as compliant or partially compliant against all areas. Actions to ensure the Committee becomes fully compliant are in place, with some already implemented. In receiving the report in May 2018, the Committee noted the self-assessment and agreed that a further report on the progress of the actions be considered at a future meeting of the Committee.

The Committee’s 2018/19 Work Plan was developed in line with the Committee’s existing Terms of Reference to ensure it continued to work effectively and fulfil its purpose.

CIPFA recently released updated guidance for Audit Committees: “Audit Committees – Practical Guidance for Local Authorities and Police 2018 Edition”. The Committee’s Terms of Reference will be reviewed against the new guidance at the earliest opportunity during 2018/19 to ensure it is fully compliant.

5. Additional Assurance

It was agreed at the December 2015 meeting that future annual reports of the Committee be expanded to include greater details on any areas of additional work requested by the Committee to provide it with additional assurances, and that it also include analyses of its effectiveness.

Additional assurance work requested by the Committee has been provided around emerging issues including:

Whistleblowing Arrangements

The Committee is responsible for overseeing the Council's whistleblowing arrangements and reviewing their effectiveness. In June 2017, the Committee received an update report on the effectiveness of the Whistleblowing Policy, which included a breakdown of the 13 reports received during 2016/17.

During 2017/18, Cheshire East Council appointed Public Concern at Work (PCaW) to deliver additional whistleblowing support to undertake a review of the current arrangements. In March 2018, the Committee received a report on the outcome of the PCaW review along with details of recommended actions and improvements and was asked to consider a proposed Whistleblowing Policy.

Ombudsman Complaints and Lessons Learnt

In May 2018, the Committee received a report on the Customer Feedback - complaints, compliments and referrals to the Local Government Ombudsman (LGO) for 2017/18.

The report included details of the complaints and enquiries received by the LGO in the period 1 April 2017 to 31 January 2018. Members were informed that during 2017/18, the LGO issued decision notices on 89 cases relating to Cheshire East. Of the 89 cases, 45 were closed after the initial enquiry, 23 were upheld in the customer's favour and 21 were not upheld. Of the 23 upheld cases, it was considered that in 8 of these cases there was no injustice to the complainant.

Update on Air Quality Data Internal Audit Report

In September 2017, the Committee received a report detailing the management actions agreed following the issue of the Air Quality Internal Audit Report. It was agreed Internal Audit would update the Committee on the progress in implementing the agreed actions. As such, a follow-up review was carried out by Internal Audit, with verbal updates provided at the December 2017 and March 2018 meetings and the outcome of the review was subsequently included in the May 2018 Internal Audit 2017/18 Annual Report. The issue was also recognised in the 2016/17 Annual Governance Statement, but was subsequently removed following the progress update provided at the December 2017 Audit and Governance Committee which recognised that substantial progress had been made in implementing the required actions.

In receiving the updates, the Committee is complying with its Terms of Reference in considering reports on the effectiveness of internal controls and requesting summaries of specific Internal Audit reports.

Reporting of all WARNS's (Waiver and Record of Non-adherence)

The Audit and Governance Committee has a key role in overseeing governance arrangements and has a requirement to review all approved WARNS. The WARN process forms part of the Contract Procedure Rules (CPR's) which are intended to promote good procurement and commissioning practice, transparency and clear public accountability.

Since June 2016 onwards, summary information on the number and reasons for WARN's has been provided to the Committee as a standard Part 1 agenda item. The detailed WARN information is considered as a Part 2 agenda item, following exclusion of press and public from the meeting. This is pursuant to Section 100(A)4 of the Local Government Act 1972, on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

Review of the Effectiveness of Internal Audit and Compliance with the Public Sector Internal Audit Standards (PSIAS)

In September 2017, the Committee received an update report on the Independent Public Sector Internal Audit Standards (PSIAS) external assessment which subsequently took place in January 2018. The findings of the assessment, which will be supported by an action plan, are currently progressing through the agreed drafting and moderation process and will be reported to the next meeting of the Committee following their release.

Compliance with the Freedom of Information Act (2000), Environmental Information Regulations (2004) and the Data Protection Act 1998

In May 2018, the Committee received a report on the volumes and trends in the number of requests received under the above legislation. The report included details on the number of requests received, outcomes and number of complaints to the Information Commissioner's Office (ICO) during 2017/18.

Compliance with the Regulation of Investigatory Powers Act 2000 (RIPA)

In May 2018, the Committee received an update report on how the Council has complied with RIPA legislation during 2017/18 and the number of RIPA applications which have been authorised during the period.

Information Governance

In May 2018, the Committee received an update report on the key achievements of the Information Assurance and Data Management (IADM) Team in relation to Information Governance (IG) and preparations for the introduction of the General Data Protection Regulation (GDPR), which came into force on 25th May 2018.

As part of the Work Plan for 2018/19, the Committee has requested that GDPR be a standing agenda item for future meetings.

Member's Code of Conduct

The Committee received update reports in both September 2017 and March 2018 relating to the Member's Code of Conduct. The reports set out the number of complaints received during the period which had been or were due to be considered by the Acting Director of Legal Service (in their capacity as the Authority's Monitoring Officer).

6. Members of the Committee

Members of the Committee during 2017/18 are set out in **Appendix 2**.

The Audit and Governance Committee has been supported by Officers providing reports in accordance with the Committee's work programme and at the request of the Committee.

The Committee has routinely been attended by the Interim Executive Director of Corporate Services, Acting Chief Executive, Acting Director of Legal Services & Interim Monitoring Officer, the Head of Finance and Performance and the Executive Director of Place. The Corporate Manager - Governance & Audit left the Authority in February 2017 and, as such, the Principal Auditors are still in acting up arrangements to provide support and guidance to the Committee as would be provided by the Head of Internal Audit role.

7. Statutory Requirements, New Guidance and Recommended Practice

During the year, the Committee has carried out a number of statutory requirements such as approving the Financial Statements and the Annual

Governance Statement. It has also ensured that it is up to date in adopting new guidance and/or recommended practice, including:

- Approving updates to the Internal Audit Charter, to ensure compliance with the Public Sector Internal Audit Standards (PSIAS);
- Undertaking a self-assessment of the Committee, based on CIPFA guidance.

The annual review of the Committee's Terms of Reference will be carried out later in 2018/19 following the recent release of CIPFA's Audit Committees – Practical Guidance for Local Authorities and Police 2018 Edition. Committee Members have received a copy of the updated CIPFA Audit Committees guidance.

8. Training and Development

The following training was carried out during the year:

- Induction for new and deputising Members of the Committee;
- Annual Governance Statement & Role of the Audit Committee;
- Risk Management;
- Approving the Financial Statements.

In addition, Members have access to copies of the CIPFA Better Governance Forum: *Audit Committee Update* featuring a round-up of legislation, reports and developments of interest to Audit & Governance Committee Members.

During 2017/18, a self-assessment of the Committee's skills has been carried out to identify any training and development needs. As a result, the decision was taken for the Member/Officer Working Groups to also be reviewed following the outcome of the skills assessment. This work will be concluded later in 2018/19.

9. Work Programme for 2018/19

The Committee has an agreed work programme for 2018/19, which includes the many annual statutory requirements (e.g. approval of the Statement of Accounts, approval of the AGS etc.) of the Committee and also those regular reports and assurances it receives on External Audit, Internal Audit, Risk Management, Treasury Management, Whistleblowing and other areas.

The forward-looking work programme ensures comprehensive coverage of the Committee's responsibilities, and in addition to this, the Committee will also:

- Continue to develop its proactive nature to facilitate actions by Officers to ensure that risks and assurances are identified as early as possible and remedial actions are taken in a timely fashion;
- Oversee any development required to comply with the requirements of the recently updated CIPFA Audit Committees guidance;
- Continue to review governance arrangements to ensure the Council adopts the latest best practice and moves towards becoming an open and transparent public organisation;
- Continue to support the work of Internal and External Audit and ensure that responses are given to their recommendations;
- Receive assurance on the implementation of the updated Public Sector Internal Audit Standards (PSIAS);
- Continue to help the Council to manage the risk of fraud and corruption;
- Continue to develop the review of risk and partnership issues and safeguarding of public sector assets;
- Equip existing and new Members to fulfil their responsibilities by providing more detailed and focused training on all key areas of responsibility, including financial arrangements and risk management, governance and audit planning;
- Monitor the progress of implementing the General Data Protection Regulations (GDPR) as a standing agenda item;
- Review the classes of interests to be declared by Members of the Committee and update the Code of Conduct accordingly.

How the Audit and Governance Committee's Terms of Reference were met during 2017/18:

Terms of Reference of Committee	Relevant activity in 2017/18
Annual Report	
To report to full Council on a regular basis on the Committee's performance in relation to the Terms of Reference and the effectiveness of the Committee in meeting its purpose.	<p>The September 2017 Committee meeting reviewed the 2016/17 annual report, which was subsequently received and noted by Council in October 2017.</p> <p>The July 2018 Committee reviewed the 2017/18 annual report and it will be subsequently received and noted by Council later in 2018/19.</p>
Governance, Risk and Control	
To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.	<p>The Committee received and approved an update to the Code of Corporate Governance in December 2016, which was subsequently approved by Cabinet in January 2017.</p> <p>Following on from this, the 2016/17 Annual Governance Statement (AGS) was developed and approved and the same process followed for the production of the 17/18 AGS – see below.</p>
To review and approve the Annual Governance Statement and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.	<p>An update on progress against the AGS 2016/17 Action Plan was received in December 2017 and the proposed process for the 2017/18 AGS was endorsed.</p> <p>The Committee received the draft 2017/18 AGS in May 2018 and the final version was approved at the July 2018 meeting.</p>
To monitor the effective development and operation of risk management in the Council.	The Committee received update reports on risk management in June 2017, December 2017, March 2018 and May 2018.

Terms of Reference of Committee	Relevant activity in 2017/18
To monitor progress in addressing risk related issues reported to the Committee and to review the assessment of fraud risks and potential harm to the Council from fraud and corruption. To monitor the Counter Fraud Strategy, actions and resources.	<p>The Committee monitors Anti-Fraud and Corruption arrangements on an ongoing basis.</p> <p>The Audit and Governance Committee Member/Officer sub-group for anti-fraud and corruption discusses and reviews arrangements and current issues as part of their work plan.</p>
To review and monitor the Council's Treasury Management arrangements in accordance with the CIPFA Treasury Management Code of Practice.	<p>The Treasury Management 2016/17 Annual Report was received in September 2017.</p> <p>The 2018/19 Treasury Management Strategy and Minimum Revenue Position (MRP) Statement was reviewed at the December 2017 meeting.</p> <p>The Treasury Management 2017/18 Annual Report will be received by the Committee later in 2018/19.</p>
Internal Audit	
To approve the Internal Audit Charter.	An updated Internal Audit Charter was approved at the December 2017 Committee meeting.
To approve the risk-based Internal Audit Plan, including Internal Audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.	<p>The Committee approved the Summary Internal Audit Plan 2017/18 in March 2017. The Committee monitored progress against the plan (December 2017 & March 2018).</p> <p>The Summary Internal Audit Plan 2018/19 was presented to the March 2018 Committee for approval.</p>
To receive reports outlining the action taken where the Head of Internal Audit has concluded that Management has accepted a level of risk that may be unacceptable to the Authority or there	Internal Audit interim reports against the 2017/18 plan were received in December 2017 and March 2018.







Terms of Reference of Committee	Relevant activity in 2017/18
are concerns about progress with the implementation of agreed actions. To consider summaries of specific Internal Audit reports as requested.	Internal Audit interim reports include a summary of Internal Audit work completed and the significant issues arising from individual assignments.
To contribute to the Quality Assurance and Improvement Programme and in particular, to the external quality assessment of Internal Audit that takes place at least once every five years.	<p>The Committee is updated in the Head of Internal Audit Annual Opinion Report on the progress made on assessment criteria required to comply with the Public Sector Internal Audit Standards (PSIAS).</p> <p>The Member/Officer sub group for audit covers the requirements in detail and the actions required, and feedback will now be presented to Committee.</p>
To consider the Head of Internal Audit's Annual Report.	<p>The 2016/17 Internal Audit Annual Report, including the Annual Audit Opinion was presented to the Committee in June 2017.</p> <p>The 2017/18 Internal Audit Annual Report was presented to the Committee in May 2018.</p>
To support the development of effective communication with the Head of Internal Audit.	<p>The Principal Auditors (in the absence of a Head of Internal Audit in post), meet on a regular basis with the Chair and Vice-Chair of the Committee.</p> <p>There are also regular meetings of Member/Officer groups which meet to discuss a variety of assurance issues in more detail. These meetings include the Head of Internal Audit opinion.</p>
External Audit	
To consider the External Auditor's Annual Letter, relevant reports, and the report to those charged with governance.	The 2016/17 Audit Findings Report and Action Plan were presented to Committee in September 2017 by the External Auditor.





Terms of Reference of Committee	Relevant activity in 2017/18
	<p>The 2016/17 Annual Audit Letter was issued in October 2017 and was reported to the December 2017 Committee meeting.</p> <p>The 2017/18 Audit Findings Report was presented to the July 2018 Committee meeting.</p>
To consider specific reports as agreed with the External Auditor.	The Committee received and considered the work of the External Auditor (all meetings during the year).
To comment on the scope and depth of External Audit work and to ensure it gives value for money.	The Audit and Governance Member/ Officer sub-group for audit reviews External Audit work throughout the year and assess the value that the Council receives from the work completed and reported.
To commission work from Internal and External Audit and to advise and recommend on the effectiveness of relationships between External and Internal Audit and other inspection agencies or relevant bodies.	<p>The Audit and Governance Committee and the Member/Officer sub-groups consider the work plan at all meetings and commission additional work where Members determine that additional assurance is required.</p> <p>The relationship between Internal and External Audit is reviewed at least annually together with any requirements to liaise with any other relevant agencies.</p>
Financial Reporting	
To review and approve the Annual Statement of Accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.	<p>The Statement of Accounts 2016/17 was approved at Committee in September 2017.</p> <p>The draft Pre-Audit Statement of Accounts 2017/18 was presented to the May 2018 Committee.</p>
To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.	The 2016/17 Audit Findings and Action Plan were presented to Committee in September 2017 by the External Auditor.

Terms of Reference of Committee	Relevant activity in 2017/18
	<p>The 2016/17 Annual Audit Letter was issued in October 2017 and reported to the December 2017 Committee meeting.</p> <p>The 2017/18 Audit Findings Report was presented to the July 2018 Committee meeting.</p>
Related Functions	
To approve and monitor Council policies relating to “whistleblowing” and anti-fraud and corruption.	<p>An update on the effectiveness of the Council’s current Whistleblowing Policy and a breakdown of the number of reports for 2016/17 were reported to the September 2017 Committee.</p> <p>In March 2018, the Committee received a report on the outcome of the external review of the Council’s whistleblowing arrangements and approved the proposed new Whistleblowing Policy.</p>
To seek assurance that customer complaint arrangements are robust.	<p>Annual Report of Customer Feedback – Complaints, Compliments and Referrals to the Local Government Ombudsman 2016/17 presented to Committee in September 2017.</p> <p>The Customer Feedback – Complaints, Compliments and Referrals to the Local Government Ombudsman 2017/18 Report was presented to the May 2018 Committee meeting.</p>
Standards	
Promoting high standards of ethical behaviour by developing, maintaining and monitoring Codes of Conduct for Members of the Council (including co-opted Members and other persons acting in a similar capacity).	Members Code of Conduct - Standards Reports recording decisions relating to complaints was submitted to the Committee in September 2017 and March 2018.

Terms of Reference of Committee	Relevant activity in 2017/18
Ensuring that Members receive advice and training as appropriate on the Members Code of Conduct.	Members of the Audit & Governance Committee have been advised on the Code of Conduct during the year.
Granting dispensations under the provisions of the Localism Act 2011 to enable a Member or Co-opted Member to participate in a meeting of the Authority.	The Committee meeting in September 2016 approved the Localism Act 2011 – General Dispensations for a four year period (to 28 September 2020).

Membership of the Audit and Governance Committee during 2017/18:

Current Members of the Audit and Governance Committee	
	<p>Councillor Gordon Baxendale (Chair)</p> <p>Councillor Baxendale has been with Cheshire East Council from its inception in April 2009, and has been a member of the Audit and Governance Committee since June 2015. He chaired his first meeting in December 2016.</p>
	<p>Councillor Mike Sewart (Vice Chair)</p> <p>Councillor Sewart became an elected member of Cheshire East Council in May 2015. He joined the Committee in March 2017.</p>
	<p>Councillor Sam Corcoran</p> <p>Councillor Corcoran became an elected member of Cheshire East Council in May 2011 and has served on the Audit and Governance Committee since then.</p>
	<p>Councillor Tony Dean</p> <p>Councillor Dean became an elected member of Cheshire East Council in May 2015. He joined the Committee in June 2017.</p>
	<p>Councillor Rod Fletcher</p> <p>Councillor Fletcher has been an elected member of Cheshire East Council from its inception in April 2009 and has served on the Committee since May 2011.</p>
	<p>Councillor Les Gilbert</p> <p>Councillor Gilbert has been an elected member of Cheshire East Council from its inception in April 2009. He joined the Committee in May 2016.</p>

Current Members of the Audit and Governance Committee	
	<p>Councillor Andrew Kolker</p> <p>Councillor Kolker has been an elected member of Cheshire East Council from its inception in April 2009. He served as Vice-Chair of the Governance and Constitution Committee for a time and has been on the Audit and Governance Committee from June 2010 to date.</p>
	<p>Councillor Nick Mannion</p> <p>Councillor Mannion became an elected member of Cheshire East Council in May 2015. He joined the Committee in March 2017.</p>
	<p>Councillor Gill Merry</p> <p>Councillor Merry has been an elected member of Cheshire East Council from its inception in April 2009. She joined the Committee in June 2017.</p>
	<p>Councillor Amanda Stott</p> <p>Councillor Stott became an elected member of Cheshire East Council in May 2015, and has been a member of the Audit and Governance Committee since June 2015.</p>
No image available.	<p>Philip Gardener</p> <p>Independent Member of the Committee, Mr Gardener was co-opted to the Committee in March 2017.</p>

It should also be noted that the following Councillors deputised for members of the Audit & Governance Committee, the Councillors received the necessary induction training prior to the meetings:

1st June 2017:

- Councillor Dorothy Flude
- Councillor Steven Edgar

7th December 2017:

- Councillor James Nicholas

31st May 2018:

- Councillor Steven Edgar